

## Message Text

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ACTION NEA-09

INFO OCT-01 EUR-12 ISO-00 ERDA-05 AID-05 CEA-01 CIAE-00

CIEP-01 COME-00 DODE-00 EB-07 FPC-01 H-02 INR-07

INT-05 L-02 NSAE-00 NSC-05 OMB-01 PM-03 SAM-01 OES-03

SP-02 SS-15 STR-01 TRSE-00 FRB-03 FEA-01 PA-01 PRS-01

USIA-06 /101 W

----- 038874

R 211200Z MAR 75

FM AMEMBASSY COLOMBO

TO SECSTATE WASHDC 2423

INFO AMEMBASSY MOSCOW

AMEMBASSY NEW DELHI

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EO 11652: N/A

TAGS: ECON, ENRG, CE

SUBJ: CEYLON PETROLEUM CORP CALLS FOR  
OFF-SHORE DRILLING SERVICES

1. SUMMARY: CEYLON PETROLEUM CORP (CPC)  
HAS CALLED WORLDWIDE FOR TENDERS FOR OFF-SHORE  
DRILLING SERVICES IN EXPLORATION AREA NOW BEING  
ACTIVELY WORKED BY SOVIETS UNDER SERVICE CONTRACT.  
CALL IS FOR DRILLING SERVICES ONLY, NOT FOR EXPLOR-  
ATION UNDER ANY EQUITY OR PRODUCTION-SHARING ARRANGE-  
MENT, BUT IT DOES REFLECT CPC'S APPARENT DESIRE TO  
ACCELERATE EXPLORATION PROCESS. HERETOFORE GSL  
INDICATED LITTLE INTEREST IN ANY WESTERN PARTICIPATIO  
IN OIL EXPLORATION. TENDER CALL, DATED FEB 26,  
HAS BEEN WIDELY CIRCULATED TO POTENTIALLY INTERESTED  
AMERICAN FIRMS. END SUMMARY.

2. IN RATHER SURPRISING POLICY ADJUSTMENT,  
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CPC HAS CALLED WORLDWIDE FOR OFF-SHORE PETROLEUM

DRILLING SERVICES IN THE PALK STRAIT/MANNER GULF WATERS WHICH SOVIET ORGANIZATION (TECHNOEXPORT) HAS BEEN ACTIVELY EXPLORING FOR SOME TIME. MARCH 16 CEYLON OBSERVER SAID CALL FOR TENDER WAS APPEARING IN OIL TRADE JOURNALS ("OFF-SHORE JOURNAL" AND "PETROLEUM TIMES") AND HAD BEEN CIRCULATED TO SRI LANKA EMBASSIES OVERSEAS. BECAUSE CPC HAS BEEN VERY COOL IN RESPONDING TO INQUIRIES FROM AMERICAN OFF-SHORE EXPLORATION COMPANIES

OVER LAST 12 MONTHS AND BECAUSE MANY LOCAL PRESS STORIES ON OIL EXPLORATION HAVE BEEN WIDELY INACCURATE, EMBASSY HAS OBTAINED CPC CONFIRMATION AND COPY OF TENDER CALL. (ON MARCH 13, REPRESENTATIVE OF AMERICAN DRILLING FIRM - ANSCHUTZ OF DENVER - INQUIRED AS TOP CPC'S INTEREST IN DISCUSSING EXPLORATION AND RECEIVED NO ENCOURAGEMENT.) LETTER CALLING FOR TENDERS WAS NOT CIRCULATED LOCALLY BECAUSE CPC WANTS OFFERS ONLY FROM PRINCIPALS.

3. IN SUMMARY. LETTER REQUESTS BIDS IN TRIPLICATE FOR DRILLING SERVICES FOR 6 TO 10 EXPLORATORY WELLS MAINLY IN PALK BAY, GULF OF MANNAR, AND OFF-SHORE AREAS IN NORTH OF SRI LANKA. "WATER DEPTH IS 5 TO 16 METERS, WELL BASEMENTS ARE TO BE 2,500 TO 3,000 METERS, AND FORMATION PRESSURES AND TEMPERATURES ARE TO BE NORMAL. QUOTATION IS TO GIVE COST OF RIG MOBILIZATION; DRILLING PER METER INCLUSIVE OF ALL MATERIALS; COMPLETE CASING, CLEANING AND TESTING OF WELLS; SURFACE EQUIPMENT INSTALLATION AND ALL OTHER SERVICES.

4. CONTRACTOR IS TO GIVE EARLIEST DATE RIG AVAILABLE AND DRILLING PROGRAM AND TIME REQUIRED FOR 6 TO 10 WELLS. CONTRACTOR IS TO MAXIMIZE USE AND TRAINING OF CEYLONESE PERSONNEL. ALL DRILLING INFO IS TO GO EXCLUSIVELY TO CPC. QUOTATIONS ARE TO BE MARKED "QUOTATIONS FOR DRILLING EXPLORATORY WELLS IN SRI LANKA, ARE TO REACH CPC NLT NOON RPT NOON, THURSDAY, MAY 1, 1975, AND ARE TO BE VALID FOR SIX WEEKS FROM THAT DATE. ADDRESS IS: CEYLON PETROLEUM CORP PO BOX 634 113 GALLE ROAD, COLOMBO 3, SRI LANKA. CABLES: "LANKOIL." LIMITED OFFICIAL USE

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5. ACCORDING TO CPC OFFICIAL, CALL HAS BEEN SENT TO 48 POTENTIALLY INTERESTED AMERICAN FIRMS AS LISTED IN "OFFSHORE CONTRACTORS AND EQUIPMENT DIRECTORY WORLDWIDE." WE ARE CHECKING TO SEE IF US EXPLORATION FIRMS THAT HAVE VISITED OR WRITTEN CPC HAVE BEEN NOTIFIED. VAN HOLLEN

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** OFFSHORE DRILLING, EXPLORATORY DRILLING, PETROLEUM RESERVES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 21 MAR 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GolinoFR  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Document Unique ID:** 00  
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**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
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**To:** STATE  
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